

**House of Commons Education Select Committee:
Inquiry into the impact of exiting the European Union on
higher education.**



**UNIVERSITIES & COLLEGES
EMPLOYERS ASSOCIATION**

Response from the Universities and Colleges Employers Association (UCEA)

Introduction:

- This document is the written response from the Universities and Colleges Employers Association (UCEA) to the House of Commons Education Select Committee Inquiry into the impact of exiting the European Union on higher education.
- UCEA's response is based on:
 - A survey of its members on actions they have taken since the referendum result. This survey ran in October 2016.
 - A call for evidence from UCEA members asking for more detailed commentary in response to the call for evidence..
- UCEA's response is based on the views of its members in their capacity as employers, therefore this response does not consider issues relating to students.

About UCEA and its members:

- The Universities and Colleges Employers Association (UCEA) represents HEIs across the UK in their capacity as employers.
- UCEA is a membership body funded by subscriptions from 163 HEIs in the UK (in addition to 9 sector associate members). Our purpose is to support our members in delivering excellent and world-leading higher education and research by representing their interests as employers and facilitating their work in delivering effective employment and workforce strategies.
- Together HEIs employ over 400,000 people across 163 autonomous universities and higher education colleges in the UK.

1. Summary of UCEA's response

The UK's decision to exit from the European Union presents a number of challenges as well as some opportunities. Higher education is perhaps uniquely exposed to due to a combination of factors, including its mobile and international workforce, its global research collaboration and its position as a destination of choice for international students. The sector is of course concerned on a number of fronts, including impacts on EU and other international students and on research funding and collaboration, but the focus of this submission is on staffing. One in six of the academic staff working in the sector are non-UK EU/EEA nationals and non-UK EU/EEA nationals also work in many other capacities in UK HE institutions.

1.1. Recruitment and retention of international talent may become more challenging

HEIs have significant concerns about their ability to continue to attract and retain the 'best and brightest' staff, particularly academics, from around the world. This is vital to UK HE's international academic standing. A globalised workforce is an essential feature of UK HE's remaining competitive – having an international staff and student body is seen as a marker of world-leading institutions in various different world ranking systems. Higher education is a highly competitive global industry and any steps which damaged the UK's ability to compete in this arena would need to be mitigated.

Academics from around the world and not just the EU may be discouraged from applying for posts in UK HEIs as a result of a perception that the UK is a less welcome environment for international scholars and less likely to enable international academic collaboration.

UK academics may also be more likely to seek work outside of the UK if their career opportunities are perceived to be curtailed by remaining within the UK.

Existing academic staff (including the most senior academic staff who attract high levels of funding or carry the greatest prestige) may be more likely to be attracted to leave their current posts to work outside the UK.

1.2. The UK must show it is “open for business”

In the context of increasingly restrictive immigration policy, the UK must demonstrate it is “open for business”. The Government can support this by ensuring it promotes the UK as an internationally competitive and welcoming destination for academic teaching and research.

1.3. All parts of the HE workforce need to be supported

Recruitment and retention concerns apply across all parts of the HE workforce from the most senior and experienced of academics, to PhD students at the beginning of their academic careers, to technical and other professional staff who can play an equally important role in ensuring the success of UK HE.

Limiting freedom of movement could impose significant administrative or cost burdens to UK HEIs as they seek to recruit the talent and skills needed, and in a range of spheres beyond senior academic roles. It is vital that UK HE continues to benefit from attracting a diverse workforce with a global outlook.

1.4. The UK should ensure the opportunities from academic collaboration are not lost

Other aspects of international collaboration could be severely curtailed if freedom of movement is limited, either for UK staff travelling abroad or EU staff travelling to the UK. Academic conferences, informal collaboration, as well as more formal routes to collaboration and funding are vital to creating opportunities and exchanging ideas.

1.5. Transnational education could suffer

The UK is successfully delivering transnational education across the globe, exporting the best aspects of its HE expertise to other countries, creating numerous tangible and intangible benefits for the UK. Restrictions on freedom of movement could put the ability of HEIs to deliver education transnationally at risk, limit the UK's influence in higher education internationally, and reduce the economic value delivered to the UK from transnational education, as students seek alternative provision from other countries.

1.6. Clarity is urgently needed on the status of existing EU staff

The lack of clarity regarding the status of EU staff already in the UK, including their dependents and those who have yet to acquire "treaty rights" is also a matter of concern. The absence of guarantees in this area is creating significant anxiety amongst these staff and is limiting the ability of HEIs to plan for the future.

1.7. Transitional arrangements could be used to remove some uncertainty for EU staff

If restrictions on freedom of movement are introduced, a transition period should be considered to allow employers and individuals to adjust to the new rules. Among the provisions that could be considered would be time spent outside of the UK on research or academic projects should not counting against any application for permanent residence. Additionally, where employees who are EU nationals have previously been students in the UK, the requirement for them to have held private medical insurance during their studies in order for them to be eligible for permanent residence should be waived, at least for a transitional period.

1.8. Cost and bureaucracy should be minimised

Any new immigration system to be implemented post-Brexit should be free of excessive cost and administrative burden, especially in relation to academics and researchers. This point was repeatedly made by HEIs, who feel that the current immigration system for non-EEA workers is already overly restrictive, costly and bureaucratic. If an alternative system is being considered this should be flexible, low cost, and able to be fitted to the needs of the HE sector.

1.9. Small changes to the current immigration system could have a positive impact on HE

Changes could be made in the interim period to the current immigration system to show that the UK welcomes international HE collaboration. Changes that HEIs would press for would include:

- An expansion and promotion of the Tier 1 (Exceptional Talent/Promise) routes, so that there is no limit on the numbers that can use this route, and so that it applies to a broader range of fellowships in a wider range of disciplines.
- An expansion and greater promotion of the Tier 5 (Government Authorised Exchange) route.

1.10. **Government should seek reciprocal agreements on a range of issues**

HEIs wish to see appropriate reciprocal agreements with other countries which allow researchers and academics to move freely and collaborate with ease. As one HEI put it *“there is a two-way dependency between the UK and EU higher education systems and, as changes in relationship are negotiated, it will be important for this to be reciprocal in nature and to allow the continuation of a two-way exchange of knowledge, ideas, learning and discovery.”* Reciprocal arrangements will also need to be established regarding the recognition of equivalent professional registrations in the future, such as medical or legal registrations or qualifications. If standards in these areas diverge in the future then this would further discourage international recruitment.

1.11. **Freedom of movement should be preserved as far as possible**

All of the HEIs that submitted evidence to UCEA have significant concerns regarding the loss of freedom of movement for both current and future staff. The mobility of academics and researchers has to be facilitated in any future post-Brexit system; one option for doing so may be to retain freedom of movement for academics and researchers.

2. Summary of key recommendations

- The rights of existing EU staff and their dependents to live and work in the UK should be unambiguously guaranteed as soon as possible. This would allow HEIs better to plan their future staffing and reassure existing staff.
- The rights of staff that have not yet gained “treaty rights” for permanent residence should also be clarified, and ideally guaranteed. This would significantly assist HEIs with their recruitment and retention concerns.
- Academic staff in particular should have their freedom of movement retained as far as is possible, as it is crucial to enable the internationally collaborative nature of higher education and research.
- The requirement to have had private medical insurance in order for the time in the UK to count towards a person’s eligibility for permanent residence should be waived for current or former students from the EU. Many university staff are former students, and this requirement is often difficult to meet and is not widely known.
- For academic staff, time out of the UK on academic duties should not disadvantage their eligibility for permanent residence.
- If a requirement is placed upon existing EU staff who do not meet current criteria for permanent residence to apply for it, then this should be a simple process, free of bureaucracy or cost, at least for a transitional period.
- The Government should consider amendments to the points based system to ensure that the most highly skilled academics and technical staff can continue to enter the UK, and consider some wider use of Tiers 1 and 5 as routes.
- If a new immigration system is to be developed, the opportunity should be taken to ensure it has significantly lower cost and administrative burdens for HE than the current points based system.

3. Detailed responses to some specific issues raised by the inquiry

3.1. Protections for existing EU students and staff

All of the HEIs that responded to UCEA's call for evidence expressed significant concern about the level of uncertainty that currently exists with regard to the status of their EU staff and students. For staff, the impact on morale and the general perception that the UK was no longer a welcoming place to be were highlighted by a majority of the HEIs that contacted UCEA. Many HEIs also made the point that diversity of their workforces was crucial to their success, and that recruitment was now being affected.

In UCEA's recent survey, where HEIs had offers of employment rejected since the referendum result, this was identified as a direct result of the referendum result in 37.5% of cases and an indirect result in 29.2% of cases. Respondents to UCEA's survey also reported that the overwhelming impact of the vote to leave the EU on staff is the uncertainty, anxiety and concern related to the future of EU/EEA citizens working in the UK.

UCEA members are anxious for the Government unambiguously to guarantee the existing rights of current EU staff and their dependents. At the very least such protections should apply to academic staff and their dependents:

"those [staff] on a permanent contract moved to the UK not just on employment terms and conditions, but the terms and conditions of the UK, which included the right to work and reside. Without these protections the University (and the sector) faces possible recruitment and retention issues"

One HEI expressed a concern that some EU staff do not have confidence that existing "treaty rights" they have acquired will be honoured. An unequivocal statement in Parliament that EU citizens currently in the UK will have their existing rights protected is considered essential to restore this trust and reassure staff.

"Our staff and students should not be used as 'cards' to be played as part of any negotiations"

Transitional arrangements should be introduced ahead of any major changes to the requirements for obtaining permanent residence. For example, a number of employees or academics within HEIs were previously students in the UK. In order for their time as students to count as a "qualifying period" for permanent residence applications, individuals must demonstrate that they had private medical insurance in place during this time. There is a lack of awareness about this requirement, and many individuals had no intention of applying for permanent residence during their time as students, nor could they have reasonably foreseen the potential for freedom of movement to become restricted in the future. This restriction is especially likely to impact early career academics who completed their undergraduate studies in the UK. Therefore, UCEA recommends that this requirement is waived for those applying for permanent residence.

Academics who reside permanently in the UK may be out of the country for long periods of time, undertaking research or fieldwork, delivering transnational education as part of a 'flying faculty' team, attending conferences, or undertaking other collaborative activity. Overseas working is therefore an essential and typical part of

academic life for many and time spent out of the UK on academic duties by EU staff should not disadvantage an individual's eligibility for permanent residence.

HEIs that contacted UCEA were unanimously in support of retaining freedom of movement for existing staff and support minimal or no change to the rights of EU students and staff to study and work in UK HEIs. There was a strong belief that this right should be protected for both staff and their dependents, with significant concern that the loss of these rights would have a severely disruptive effect on all aspects of HEIs' business, with longer-term consequences for planning, course delivery, international collaboration and student recruitment.

As far as possible, the rights of EU staff and their dependents to live and work in the UK, especially for those staff currently in the UK, should be protected. Changes to this principle could entail significant costs, risks, and disruption to the diverse and internationally focussed workforces within UK HEIs.

3.2. **The impact of changes to freedom of movement for academic staff**

HEIs are significantly concerned about possible changes to freedom of movement rules and anticipate a major impact on their academic staff and their ability to work and collaborate internationally. Many HEIs were keen to emphasise the international focus of their work.

“The university has significant concerns that, as a significant proportion of our academic and non-academic staff are non-UK EU nationals, changes to freedom of movement rules could affect all areas of our organisation. Research is likely to be most significantly affected in this regard but staff across all areas will be impacted.”

“[This] will seriously limit our strategic ability to attract the best talent and retain our world leading researchers and expert international staff, both EU and indeed UK nationals. “

Especially in STEM subjects, institutions were also keen to emphasise the importance of freedom of movement for technical and other professional staff. Technical and other professional staff play a vital role in enabling successful academic research and are often highly skilled and highly qualified individuals providing specialist support to important research projects. If these staff were unable to move freely in and out of the UK as well as around the EU, it would limit the effectiveness and success of the UK research base.

Most of the HEIs that contacted UCEA were especially concerned about the ability of academics to effectively collaborate internationally. Freedom of movement difficulties will make it more difficult for academics to contribute at conferences and in exchanges, conduct fieldwork, and deliver transnational education. These activities provide a number of economic benefits, and facilitate the exchange of ideas, culture, learning and practice.

The delivery of transnational education (TNE) in particular is a positive UK export which must be supported with an immigration policy which facilitates the movement of academic and support staff. It delivers £496bn of revenue to UK HEIs (BIS, 2014-[The value of transnational education to the UK](#)), immeasurable international prestige

for UK higher education, and acts a positive cultural and educational exchange mechanism. This may be put at risk if UK-based HE staff lose any of the current mobility that underpins delivery of TNE or if significant additional costs are introduced to their doing so in European countries.

There was particular concern amongst HEIs for the status of post-graduate researchers and their ability to move freely around Europe at a formative stage of their academic careers, and the potential disadvantages of limiting this. For example, this could lead to UK based researchers being excluded from EU-based projects and initiatives. This will make it more difficult for academics to demonstrate research excellence and impact, limit their exposure to innovative research, and in turn could limit individual academics' progression and career development.

One HEI summarised their concerns as follows

“A restriction in UK universities being able to recruit world-class talent will directly affect their ability to contribute back to the UK economy and will result in the UK economy falling behind by reducing its ability to:

- 1) *Educate a world-class workforce to meet the UK's future needs.*
- 2) *Conduct leading research to keep the UK at the forefront of innovation.*
- 3) *Transfer knowledge to business to give them competitive advantage against competitors across the world.”*

If academics face new difficulties in gaining EU research funding, they may choose to work in an environment where no such difficulties exist. This could have an impact on the ability of some institutions (particularly small or specialist providers) to offer certain programmes or modules.

The attractiveness of the UK as a place to conduct research or collaborate with will also be diminished, and the harm to the prestige of UK HEIs could hamper the ability of UK HEIs to sustain their excellence in teaching and research.

Ultimately the perception that the UK is more insular or less welcoming to international scholars risks making UK HEIs less attractive places to work, driving EU, non-EU and even UK staff to take their skills and expertise overseas. Freedom of movement is an essential part of the academic landscape, with both tangible and intangible benefits, and any changes would be anticipated to have a major impact on UK HE.

3.3. Ensuring that UK HEIs remain competitive

A key priority for UCEA members is the need to continue to be able to attract staff from around the world. HEIs, while understanding the need for the UK's immigration system, were keen to emphasise the need for a less bureaucratic and less costly immigration system which would ensure UK HEIs can continue to employ the brightest and best staff. This is crucial to the attractiveness of UK HEIs as places to work and study. It was stressed that this should apply across all stages of an academic career. HEIs feel that the Government now has an opportunity to ensure this is the case by reforming the existing immigration system as it applies to HE, and introducing a simpler, low cost system that maintains the ability for high quality

academic and professional staff and their dependents to move freely around the globe.

The Government should ensure that the UK is not perceived as “closed for business” with respect to international collaboration and should continue to promote, maintain and encourage existing collaborative exercises. Consideration should be given to measures that would ensure the UK remains an attractive destination for academic collaboration and research investment. The Government should explore continued participation in schemes which encourage collaboration on a European level, such as Erasmus and Horizon 2020, or consider other mitigation for the sector to ensure that there are no additional costs or barriers to collaboration. Consultation with the sector will be essential at this time.

In the interim, immigration routes for highly skilled individuals under the points-based system should be as free of bureaucracy and cost as possible and immigration routes for early career researchers, and postgraduate students should be maximised to facilitate international collaboration. For example, Tier 5 (Government Authorised Exchange) could be expanded and promoted as a route into the UK and Tier 1 (Exceptional Talent / Promise) could be leveraged as a way to bring in the best academics into the UK. This could be achieved by broadening the eligibility criteria for these routes and removing Tier 1 migrants from the “cap” for migration. Alternatively, the Shortage Occupation List (SOL) could also be used for academic staff.

HEIs were critical of the current immigration system for non-EEA workers and concerned if it were to be applied in the future to EU citizens, with many describing it as bureaucratic and costly:

“With regard to future hires from the EU if the UK applied the current points and sponsorship system that exists for non-EU migrants the cost of each sponsorship, the administration and bureaucracy involved would be immense.”

UCEA recommends that any new immigration system in its application to HE retains freedom of movement as far as possible and, at least for a transitional period, costs and administrative burdens should also be kept as minimal as possible.

HEIs also wish to see appropriate reciprocal agreements with other countries which allow researchers and academics to travel freely and collaborate with ease. Reciprocal arrangements will also need to be established regarding the recognition of equivalent professional registrations in the future, such as medical or legal registrations or qualifications. If standards in these areas diverge in the future then this would further discourage international recruitment. The Government should work towards reciprocity in these rules with other nations, and ensure that standards are kept closely aligned in the years ahead.

3.4. What the Government's priorities should be during negotiations for the UK to exit the EU with regard to students and staff at higher education institutions

Many of the desired priorities for the Government in this area have been set out above. HEIs wish to see a focus on preserving as much freedom of movement as possible for HE staff and their dependents, preservation of research funding streams

and of existing reciprocal arrangements and recognition of qualifications. Participation in collaborative projects such as Erasmus and Horizon 2020 was also seen as essential. A selection of comments from HEIs is presented below:

"Government must prioritise the continued free movement of people - negotiations must concentrate on securing the right of EU nationals to live and work in the UK and UK nationals to live and work in Europe. Given the current prospect of a 'hard Brexit', the UK government must take immediate action minimally to protect its ability to attract highly skilled & talented people in STEMM based disciplines - this will be crucial to the future economy of the UK."

" The Government should be looking to negotiate to ensure that UK institutes can continue to participate in EU backed and funded research projects and ensure the freedom of movement for EU and UK employees to ensure that collaboration between UK institutes and European colleagues can continue to work effectively."

Government should also seek to confirm that funding will be available, either through the EU or UK government, to support research projects started prior to formal exit from the European Union to ensure that there is no reduction in the level of high value research as a result of uncertainty over funding in a transitional period.

Ultimately negotiations need to ensure that the stability and success of UK higher education is maintained and that any changes to the rights of staff and students are communicated early with a fair transitional period put in place.

3.5. Mitigating risks and taking advantage of opportunities

The most apparent risk for HEIs as employers as a result of the decision to leave the EU is the loss of key staff and associated research funding. Section 3.3. above identifies possible changes to the immigration system which would facilitate greater freedom of movement for academic staff and mitigate this risks to some extent. Steps to reassure EU staff, as set out in section 3.1 would also help to prevent this from happening. Financial support could also be provided to HEIs in the form of replacement or transitional funding for research where this is lost as a result of Brexit:

"the Government needs to commit to the future funding of research and signal that, whatever the outcome of Brexit negotiations they will take steps to ensure the current levels of funding are maintained."

The ability to offer competitive reward packages has been further diminished by the weakened pound and created an additional risk to HEIs.

Opportunities exist for new international partnerships beyond Europe and these could be better exploited with a less bureaucratic, less costly and more streamlined immigration system for academics, researchers and their dependents. UCEA's recent survey found that some HEIs have already begun exploring new markets and partnerships outside of the EU such as in Commonwealth countries, US and Asia. HEIs would be keen to see the Government supporting this exploration.

Potential reform of employment law would need to be handled sensitively since so many of the existing employment rights in the UK flow from Europe. In reference to the potential for reform of employment law following an exit from the EU, the most common response from HEIs was the desire to see reform to legislation resulting

from EU Directives such as the Working Time Regulations, Transfer of Undertakings (Protection of Employment) (TUPE) Regulations and The Agency Workers Regulations. In addition to wishing to see some reforms in employment law, HEIs also stressed the need for clarity on the legal status of their current EU/EEA staff.

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